

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
NATIONAL BUSINESS CENTER
DENVER FEDERAL CENTER, BUILDING 50
DENVER, COLORADO 80225-0047

In Reply Refer To:
1520 (BC-680A)P

November 28, 1997

EMS Transmission

Instruction Memorandum No. BC-98-009
Expires: 9/30/99

To: All WO and All Field Officials
Attention: Administrative Officers and Property
Managers

From: Director, National Business Center

Subject: FY 1998 Personal Property Inventories DD: 4/01/98
5/31/98
7/31/98

All BLM offices will take a complete physical personal property inventory for all items in the Fixed Asset System (FA). It is imperative that each Custodial Property Officer (CPO) completes a thorough and accurate inventory and submits same to the local property staff by April 1, 1998.

To assist in conducting this inventory, specific procedures have been provided on several attachments as follows:

- o Attachment 1 lists the procedures to follow to conduct a Personal Property Inventory.
- o Attachment 2 are the instructions for processing these required items in FA.
- o Attachment 3 is the Inventory Procedures for the WCF Stores Account Inventory. This attachment is only for those offices listed on the attachment to conduct their inventory.
- o Attachment 4, (FA006 Report by Custodial Officer) is a list of property items sorted by Custodial Officer/FA Number for your accountable office. This list contains all of the present property items in FA.

Please read all of these attachments carefully.

All physical inventories must be completed by April 1, 1998. All system inputs must be completed by May 31, 1998, and any required Reports of Survey and Certificates of Unserviceable Property initiated by that date.

BC-680A will issue an inventory status report to all field office

managers regarding compliance with these two dates.

Upon completion of these inventories, and finalization of Reports of Survey, and Certificates of Unserviceable Property, a memorandum signed by the Accountable Officer must be sent to BC-680A. Completion memos with full supporting completed documentation are due to BC680A no later than July 31, 1998.

There will be no extensions beyond this date this year due to management letters from the Office of Inspector General (OIG).

If there are any questions regarding the inventory process please contact Kathy Montgomery at (303) 236-9460 or Lois Perrin at (303) 236-9461. If there are any questions regarding the due date and related concerns, please contact Bob Donelson at (202) 452-5190.

Signed by:
Roy Morris
Director, National Business Center

Authenticated by:
Kathy Montgomery

4 Attachments

- 1 - Procedures to Conduct Inventory (4 pp)
- 2 - FA Inventory Process (4 pp)
- 3 - Inventory Procedures for WCF Stores Inventory (1 p)
- 4 - FA006 Report by Custodial Officer (varies pp)

Distribution:

WO-850, LS, 1075
RS-150, Library
NI-101
BC680, Reading File

PROCEDURES TO CONDUCT INVENTORY

1 - Custodial Property Officers' Function During Inventory Process:

The custodial officer will have an important part in processing a complete and accurate inventory. Upon receipt of the Instruction Memorandum regarding the FY 98 inventory, the property manager will distribute the report by custodial officer (FA006) to the pertinent custodial property officer (CPO). It will be the responsibility of the CPO to insure that the property items listed on this report are in the possession of the cognizant employee under his or her authority. If not, the CPO should annotate who has that item or if the item has been transferred or disposed. At this time, it would also be beneficial to check for any information on this report that is incorrect (i.e. cost, classification, serial number, mfg, etc.).

Upon completion of this review, sign and return the report to your property manager. The property manager will update any items that are annotated for change in the FA system. After all changes have been made, the property manager will run a new FA006 report for you, the custodial officer. It is very important that the property manager has your full cooperation. If an audit is taken in your office, you would want to be able to account for all items under your custodianship.

2 - Local Reconciliation. The Accountable Officer is responsible for reconciling FA with the actual items physically inventoried. Upon completion of the CPO's responsibilities and the following processes are complete, the property manager will be confident in having your accountable officer sign the letter stating that all personal property in FA has been accounted for. The reconciliation should include the following steps:

a. Overage with Property Number. When an item is found with a property number that is not on the FA listing, query the FANI Table in FA to determine if it is on another Office's inventory. (When querying this table, be sure you blank out the FA type).

Attachment 1-1

1) If the item is on another office's records and the item will remain in your office, call that office and ask that they initiate a transfer of property (a T1 Document) on that item.

2) If the query indicates that FA has no record of the item:

a) Check the Control Register and:

1) if a receiving report is posted, and the item was purchased in FY 1997/1998, check the OBL table to see if the item has been paid. Enter the item into FA as a new acquisition.

2) if a receiving report is **not** posted to the Control Register, enter into FA using a Found on Inventory (Acquisition Method C).

3) if a record is found on the disposal side of the register, research the disposal document to determine what action should have been taken, then follow through with the action.

b. Overage Without Property Number. If an item without a property number is found, check the FASI Table in FA, to query by serial number. If the item is identified in FA, attach the correct property number to the item. If the item cannot be matched, assign a new property number. Enter into FA as a Found on Inventory (Acquisition Method C).

c. Shortage. If an item is on the inventory listing but cannot be found, check if the item was previously subject to disposal action. If so, enter a FD transaction for that item to FA. If not, initiate a Report of Survey, Form DI-103. Process a FA Disposal Document (FD) to FA.

d. Corrections. Corrections affecting data within an Accountable Officer's area of responsibility can be made by that office. A phone call or coordination with BC-680A may be helpful.

e. Damaged Property Numbers. Replacements for illegible, marred, or damaged property number tags may be requested through BC-680A.

Attachment 1-2

f. Leased Property. All leased property must be controlled and inventoried if leased for 60 days or more. Please call BC680A if you need assistance.

g. BLM Property Held by Contractors, Grantees, and Federal Cooperators. BLM property held by contractors identified in FA in the FLOC AND CORG table by the location of the item. It is the responsibility of the Custodial Officer to provide the Contractor, Grantee, or Cooperator with a printout of all property items requiring inventory. The contractor, grantee, or cooperator must conduct a physical inventory and respond with a letter or other such certification providing the results of the inventory to the Custodial Officer. This certification must include an affirmation that a physical inventory was taken; a listing by property number of the items found and in good condition; and an explanation of any losses or shortages. Send these differences to the Property Manager for updating to FA.

h. Other Agency Property in the Possession of BLM: Property belonging to other agencies and bureaus, held on loan by BLM for 60 days or longer, must be entered into FA, and therefore must be inventoried according to the normal inventory schedule.

3 - National Business Center. The National Business Center is responsible for monitoring the status of all field office property management inventories for the WO, and for ensuring that property management inventories submitted by Field Offices reconcile with the Bureau General Ledger Control Accounts.

a) Field Office Inventory Completion Memoranda. The NBC review process is initiated upon receipt of a signed and dated memorandum from a field office Accountable Officer stating that the FY 1998 field office inventory is completed. Appropriate supporting documents must also be included with the memorandum.

b) All Personal Property Items in the FA System. BC-680A will run and review FA Reports No. FA012 and RFA24. If review of these reports indicates that all transactions are complete, BC-680A will send a memorandum to the appropriate field office stating that the FY 1998 inventory has been completed.

Attachment 1-3

c) Pending Transfer and/or Disposal Documents. Field office transfers (T1 documents) in reject status or disposals (FD documents) in PEND1 statuses need to be completed before BC-680A may send a completion memorandum. BC-680A will send a memorandum to the field office reflecting these uncompleted documents, with a due date for completion of the reject status and PEND1 status transactions.

d) Completion of T1 and FD Documents. When the field office has completed all action on these documents, it should send an E-mail message to Kathy Montgomery or Lois Perrin at NBC to advise them of this information. If review of the RFA24 report at this time indicates that all transactions are complete, BC-680A will send a memorandum to the appropriate field office stating that the FY 1998 inventory has been completed.

e) Inventory Completion Certification. BC-680A will certify in writing to WO850 on or before October 1998, the status of all FY 1998 inventories.

4 - Accountability Certificate - Form 1520-9:

This form is needed upon the arrival of a new accountable officer. The outgoing accountable officer will sign/date the top portion of the form, and the incoming will sign/date the bottom portion. The new accountable officer will be required to

formally accept full accountability and responsibility for all controlled property in the Fixed Asset (FA) system. The incoming accountable officer may request a physical inventory before signing the accountability certificate. If a current form 1520-9 is not on file at BC-680A bearing the present accountable officers' signature, you will need to submit this form with your inventory.

Attachment 1-4

FA INVENTORY PROCESS

The Fixed Asset Physical Inventory Table (FAPI) is populated with all items that need to be inventoried by your office for FY 1998.

PROCEDURE A: If a Custodial Property Officer returns the FA006 report with no changes to the CPOs' inventory and all items have been accounted for, the following should be done:

1. On the Fixed Asset Physical Inventory by Custodial Property Officer Table (FAPO) enter:

- a. Action = **A**
- b. The **code** of the Custodial Property Officer for which the inventory was performed.
- c. The **fiscal year (yy)** that the inventory was issued.
- d. The **date (mmddyyyy)** on which the inventory was completed.
- e. **PRESS ENTER**
- f. The number of FA items will be indicated in the field "NUMBER OF ASSETS MARKED AS INVENTORIED"

----- **IF** -----

2. If some of the items on the CPO's record have changes, follow Procedure B. Upon completion of updating those particular items, you may then process Procedure A to update the inventory date for the remaining inventory items.

----- **OR** -----

Attachment 2-1

To update the items in FAPI, you need to query the item by FA type and FA number. (If the item does not come up with the FA type you used, key in one of the others). If the item still does not come up when the FA type is changed, check the FANI table to verify that the item is under the correct Custodial Property Officer and Cognizant employee. If the item is not under the correct CO or CE, you need to do a T1 document. The FA types are: EC; ES and SC.

PROCEDURE B: If there are changes in the cognizant employee, or transfers, disposals, or items that are missing the following should be done:

1. On the FAPI table enter:

Action = C

In the **INV PERFORMED** field, enter one of the following codes:

Y = Physical Inventory Performed
T = The item needs to be transferred.
(a T1 document must be done)
D = If item is in disposal process.
(an FD document must be done)
M = If item was not located but you will contact the Custodial Officer for more information in an attempt to locate the item.

When an item has been located, update the date and the code with a "Y". If the item cannot be found or the inventory performed status indicated an "M" for missing, update the date and the code to a "D" and process the disposal action at that time.

2. In the **INV COMP DATE** enter the date (**mmddyyyy**) on which the physical inventory was completed.

3. The cognizant employee can be changed if the Custodial Officer remains the same.

4. All other field values are defaulted.

----- AND -----
Attachment 2-2

PROCEDURE C: If necessary, a FA Report, FA012, can be requested if your office needs to see what is still on the FAPI table awaiting to be inventoried. Field Offices can now pull this report directly from the NBC homepage on the intranet.

Your inventory will not be completed until action has been completed on the items with PERFORMED INV CODES; T, M and D.

PROCEDURE D: ITEMS PUT ON AVAILABLE/EXCESS:

Items that are put on an available/excess should be transferred from the present custodial property officer's inventory to the property manager/supply technician (establish a custodial officer record on the CUST table under their name) taking care of items that are being excessed. The building data field can be used for

the available or transfer number of the document being processed to accomplish this action. This will assist the property manager to track items that have been excessed. The following steps need to be followed to accomplish this action:

1. Before creating these CUST records, please contact BC-680A so they can populate the CORG (Organization) & FLOC (Location) tables for this special code.

2. Create a Custodial Officer Code (i.e. BC65901) on the CUST TABLE. **(Example)**

- a. Last Name = Tisby (The property person in charge of excess property)
 - b. First Name = Frank

3. Create a Cognizant Employee Code (i.e. BC65903A001) on the CUST TABLE. **(Example)**

- a. Last Name = Available
 - b. First Name = Excess

The purpose for creating these codes is so that the items that are put on an available report or transferred out of BLM will be removed from the Custodial Officers inventory pending disposition of the items.

Attachment 2-3

PROCEDURE E: ITEMS PUT ON A REPORT OF SURVEY/UNSERVICEABLE CERTIFICATE:

Items that are put on a report of survey/unserviceable certificate should stay under the custodial officer but be transferred to the cognizant employee; **Survey, Report**. The building data field can be used for the report of survey/unserviceable certificate document number. The following steps need to be followed to accomplish this action:

1. Custodial Officer Code (i.e. AZ91001) remains under the appropriate CPO.

2. Create a Cognizant Employee Code (i.e. AZ91003S001) on the CUST TABLE.

- a. Last Name = Survey
 - b. First Name = Report

INVENTORY PROCEDURES FOR WCF STORES INVENTORY

WCF STORES INVENTORY: Field offices have until July 31, 1998 to submit inventory completion memos to BC-680A. Field offices which still have a WCF Stores Account have the same period of time to conduct the annual WCF Stores Inventory.

- o Decide which month the annual WCF Stores Inventory will be conducted, and complete the inventory to coincide with the established cutoff date for that monthly Stores Control Register, BLM Form 1520-6. Enter the WCF Stores Inventory on Forms DI-106 and DI-106a or an equivalent format. The inventory must be extended and show unit price and total dollar value for each line item.

- o A Report of Survey, Form DI-103, or a Certificate of Unserviceable Property, Form DI-103A, must be prepared to document any shortages or damaged stores items not suitable for issue.

- o A Receiving Report, Form DI-102, must be prepared with the notation "found on inventory" to document any inventory overages.

- o The annual WCF Stores Inventory dollar balances must reconcile with the balance on the Stores Control Register as of the inventory date.

- o Copies of the completed WCF Stores Inventory and Stores Control Register should be forwarded to both BC-610 and BC-680A. Field Offices should furnish a copy to their State Office.

The following offices which still have a WCF Stores Account as of December 1, 1997, must send a WCF Stores Inventory to the Business Center during FY 1998:

<u>Alaska:</u>	<u>Idaho</u>	<u>Nevada</u>	<u>New Mexico</u>
AK 957	ID 010	NV 030	NM 030
	ID 020	NV 040	
	ID 030	NV 060	
	ID 040		
	ID 050		

Attachment 3